

Please amend claim 1 as follows:

Sub B2  
A1

1. (Amended) A block based video coding method comprising the step of selecting coded predictive DC coefficients ~~depending on a difference between~~ [quantized] coded DC gradients which are coefficients of a plurality of neighboring blocks B1, B2 and B3, of a block B to be coded; whereby the respective DC coefficients remains substantially unchanged during said coding method.

2. The block based video coding method according to claim 1, wherein the DC coefficient of the block (B) is selected by the difference between the coded DC gradients of at least two neighboring blocks of the block (b) to be coded.

**Remarks**

A substitute specification was submitted in the parent application Serial No. 08/940,937 on August 11, 2000 which is enclosed herewith as the continuation application. Also, enclosed for your reference is a copy of the originally filed application from the parent application Serial No. 09/940,937.

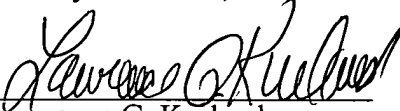
Claims 1 and 2 remain in the case and were rejected by the Examiner over Suzuki U.S. Patent 5,563,726 in the parent of this application, U.S. Serial No. 08/940,937 filed September 30, 1997. Claims 3-29 which have been canceled herein have been allowed in the parent application. Consideration of the claims as amended is respectfully requested.

It is respectfully submitted that the Examiner's rejection of claims 1 and 2 in the parent application based on Suzuki is based on a misunderstanding of this reference. Suzuki does not employ the method claimed by Applicant for block based video coding claims 1 and 2. There is no disclosure in Suzuki of Applicants' predictive coding method, a unique method which has now been chosen as an international standard for MPEG-4. Suzuki does not use the difference or

gradient of DC values in neighboring blocks in accomplishing predictive coding but rather uses a DC value of an adjacent block, namely the immediately previous block (see, for example, col. 7, lines 40-46, and col. 8, lines 39-42). Instead, in the present claimed invention, a judgment is made as to which block is more analagous to the current block between the upper block and the left block using the difference of DC values of the neighboring block. Thus, if the DC value of the upper block is relatively analogous of the DC value of the left upper block, then the DC value of the left block is used as the predictive value of DC of a block to be coded in judging that DC value is similar in horizontal direction. On the other hand, in Suzuki there is no method of determining the predictive direction of DC value to be coded currently. The object of the Suzuki patent is different than the object of Applicant's invention; namely Suzuki's object is to reduce the blocking effect rather than to code the DC coefficient effectively. It is respectfully submitted that in Applicants' claimed method, as rejected in claims 1 and 2, during the coding process, there is no change in the respective DC coefficients, whereas in Suzuki, in order to reduce the blocking effect, the DC coefficients are changed.

It is respectfully submitted that claims 1 and 2 as amended herein, are patentable over Suzuki and the prior art known to Applicants and should be allowed. Should the Examiner have any questions regarding the allowance of these claims, they, in view of the importance of this application, the Examiner is respectfully requested to contact the undersigned to set up a personal interview, which may if necessary, be attended by the inventors.

Respectfully submitted,

By:   
Lawrence G. Kurland  
Registration No. 24,895  
BRYAN CAVE LLP  
245 Park Avenue  
New York, NY 10167  
Tel No. (212) 692-1800  
Fax No. (212)692-1900